GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:213
ANSWERED ON:17.07.2017
CSR Schemes by Oil Companies
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Oil Marketing Companies (OMCs)/ Oil and Natural Gas Corporation Limited (ONGC)/GAIL donate/allocate funds under their Corporate Social Responsibility (CSR) for the Scheduled Castes/Scheduled Tribes and other weaker sections/Minority Communities across the country;
(b) if so, the region/head-wise scheme/ projects being implemented by the said companies and funds allocated/spent for the purpose during the last three years and the current year along with the action taken by the Government against such companies which have not utilized CSR funds as per the laid down norms/criteria, Public Sector company / State/ UT-wise including GAIL;
(c) the details of social welfare work done in the country for Scheduled Castes/ Scheduled Tribes and other weaker sections by various OMCs along with the mechanism if any, devised to periodically review the funds spent by said companies under CSR and corrective measures taken in this regard, Public Sector company/State/ UT-wise;
(d) the number of cases of irregularities and other clandestine activities to avoid their CSR under the said schemes reported/come to the notice of the Government during the said period along with action taken/inquiry conducted by the Government thereon, company-wise; and
(e) whether the Government has made/ proposes to make it mandatory for private oil companies to create the CSR fund for the purpose and if so, the details thereof along with the steps taken by the Government to ensure optimum spending of the funds earmarked for the purpose?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) to (c) − CSR activities are undertaken by Oil Marketing Companies (OMCs)/ Oil and Natural Gas Corporation Limited (ONGC)/GAIL as per the provisions of Section 135 of Company Act 2013 for improving quality of life of the community, primarily in the vicinity of its installation across the country, which invariably include marginalized groups viz. Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) etc., in high priority thrust areas viz. Drinking Water, Healthcare, Sanitation and Education etc.

The details of schemes / projects and expenditure implemented during last three year by IOCL, BPCL, HPCL, ONGC & GAIL are available on the websites of respective companies.

(d) − Oil Companies have stated that they have mechanisms framed for implementation, monitoring and review of CSR activities as per their CSR policy and taking corrective actions on irregularities.

(e) − Section 135 of the Companies Act 2013, mandates every company above the specified thresholds of turnover, or net worth, or net profit to spend at least two percent of the average net profits earned during three immediately preceding financial years on Corporate Social Responsibility (CSR) activities specified in Schedule VII of the Act.

In addition sensitisation workshops have been organized by the Offices of Regional Directorate under Ministry of Corporate Affiars to ensure effective compliance of CSR provisions by companies.
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